

168 FERC ¶ 61,203
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

September 27, 2019

In Reply Refer To:
Mendota Hills, LLC
Docket No. ER19-420-001

Locke Lord LLP
701 8th Street, NW
Suite 700
Washington, DC 20001

Attention: Bruce Grabow
Attorney for Mendota Hills, LLC

Dear Mr. Grabow:

1. On June 12, 2019, Mendota Hills, LLC (Mendota Hills) filed an Offer of Settlement (Settlement) addressing its revenue requirement for reactive supply and voltage control service from Mendota Hills' wind turbine generating facility being developed in Lee County, Illinois. The Settlement resolves all issues that were set for hearing and settlement procedures in Docket No. ER19-420.¹ On July 2, 2019, Commission Trial Staff (Trial Staff) filed comments in support of the Settlement.²

¹ *Mendota Hills, LLC*, 166 FERC ¶ 61,070 (2019) (accepting and suspending proposed rate schedule and setting the rate schedule for hearing and settlement judge procedures).

² In its comments, Trial Staff identifies a ministerial error in the Settlement whereby Article 3.1 of the Settlement states “[t]he total annual revenue requirement for the provision of Reactive Supply Service in *MISO* from the Mendota Hills Facility shall be \$288,000, with a monthly rate of \$24,000.” (Emphasis added). Trial Staff characterizes the reference to *MISO* as “clearly an error because the Mendota Hills Facility is located in the PJM service territory.” Trial Staff recommends certification of the Settlement to the Commission following correction of the error. Trial Staff Comments at 5-6.

On July 11, 2019, Mendota Hills filed Reply Comments.³ On August 8, 2019, the Settlement Judge certified the Settlement to the Commission as an uncontested settlement.⁴

2. Paragraph 4.1 of the Settlement provides as follows:

The standard of review the Commission shall apply when acting on proposed modifications to this Settlement under section 205 or section 206 of the Federal Power Act, including by the Commission acting *sua sponte*, shall be the ordinary “just and reasonable” standard of review.

3. The Settlement appears to be fair and reasonable and in the public interest and is hereby approved. The Commission’s approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in these proceedings.

4. Mendota Hills is directed to make a compliance filing with revised tariff records in eTariff format,⁵ within 30 days of this order, with an effective date of February 1, 2019, to reflect the Commission’s action in this order, including the effective date of the tariff records.⁶

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

³ Mendota Hills responds that Trial Staff is correct that the reference to MISO in Article 3.1 is a ministerial oversight and states that it has attached a replacement page to its reply comments that corrects Article 3.1 of the Settlement to refer to PJM. Mendota Hills Reply Comments at 1.

⁴ *Mendota Hills, LLC*, 168 FERC ¶ 63,010 (2019).

⁵ *See Electronic Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008).

⁶ We note that Mendota Hills filed the *pro forma* tariff record using a 12/31/9998 date. This may reflect a confusion regarding our guidance in the *Blackstone Wind Farm, LLC*, 167 FERC ¶ 61,004 (2019) order regarding the use of the 12/31/9998 convention. We recognize that parties often make their settlements effective on the date of a Commission order accepting the settlement. But the effective date of the settlement does not necessarily equate with the effective date of the rate and tariff provisions to which the parties have agreed. When parties know the effective date of the tariff record being filed, they should include that date in the *pro forma* tariff records in their settlement filing. The only time the 12/31/9998 convention should be used is when the effective date of the tariff record depends on some future occurrence, such as a closing or other unknown date.